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ABSTRACT

A comprehensive set of recommended policies for Georgia that address the student financial aid and related postsecondary education goals and objectives, and criteria that serve as definitions and standards for judging how well the policies are being met are presented. Based on a review of financial aid programs, the Governor's Committee on Postsecondary Education determined that there were six major areas of concern to be addressed: (1) Who has responsibility for student financial assistance? (2) What is a fair and equitable distribution of financial aid? (3) How can aid dollars be used most efficiently and serve their primary function? (4) How should basic eligibility requirements for financial aid be determined? (5) What time limits should be placed on the provision of financial aid to individual students? (6) Which postsecondary education institutions should students be able to attend and receive financial aid? Among the recommendations are the following: the primary financial responsibility for student educational expenses rests with the student and family, and a secondary responsibility rests with governments, the private sector, and postsecondary institutions; students with differing characteristics who have the same amount of need, or need-merit, should be offered the same amount of state financial aid; the state should offer aid only to students attending those institutions that have been approved as meeting appropriate operating standards; and the duration of eligibility for state aid should be extended on a prorated basis for part-time students. Study findings include the fact that about 47,000 students in the state submitted applications for need-based aid and received some form of aid in 1979-1980. Additional findings are discussed. (SW)

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New Directions for Student Aid in Georgia

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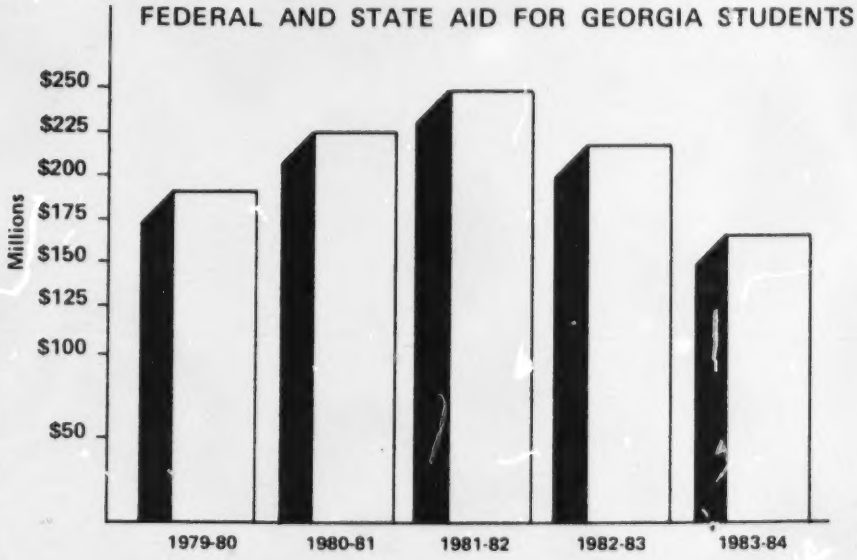

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Governor's Committee on Postsecondary Education

MARCH 1982

Governor's Committee on
Postsecondary Education

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The Governor's Committee on Postsecondary Education was originally established in 1978. In its first report, Postsecondary Issues: Action Agenda for the Eighties (June 1979) it recommended the development of a set of statewide, all-sector, postsecondary education goals. Governor Busbee charged the Committee with this task and in addition directed the Committee to identify ways to measure progress toward the achievement of the goals. The accomplishment of this task was recorded in the Committee's second report, Georgia Postsecondary Education in the Eighties: Goals and Objectives (June 1980).

Following the establishment of statewide, all-sector postsecondary education goals, Governor Busbee commissioned the Committee to begin an assessment of where postsecondary education in the State stands in relation to goal achievement and to recommend ways to improve goal achievement. The Committee completed ten assessment reports covering about half of the goals and objectives and issued its third report, Georgia Postsecondary Education: Where We Are and Where We Need To Be (December 1981).

Assessment of two of the goals -- the equal opportunity goal, calling in part for programs to encourage postsecondary education participation, and the diversity goal, calling in part for an environment encouraging the preservation of the public and private segments of postsecondary education -- required a study of postsecondary education student financial aid programs. The initial findings of the study, coupled with dramatic changes in federal financial aid programs affecting Georgia students, make it clear that a comprehensive reappraisal of postsecondary education student financial aid policies in Georgia is needed.

While the Committee reported its study and made recommendations about financial aid in Fall 1981, it did not attempt to develop a comprehensive view of what the ideal financial aid situation should be. This year the Committee chose to develop a comprehensive set of recommended State policies that would describe the ideal financial aid situation as an aid to appraising the State's role. Such a set of policies is intended to be a statement of interrelated principles which can guide present and future State decisions affecting student financial aid in order to achieve the related postsecondary education goals and objectives. The set of policies addresses major areas of interest and concern about student financial aid, and the interrelationships between the different parts of the topic are clarified.

The Committee has also developed criteria which serve as the definitions and standards by which they, and others, can judge how well the policies are being met -- how closely reality conforms to the ideal.

The Committee's approach was to take the previously developed statewide goals and objectives, and the initial assessment results, and then develop from them proposed State financial aid policies and criteria addressing all the major areas of concern. By this means the Committee could assess how well the ideal policies are being met and formulate further recommendations to guide the important decisions about student financial aid that will have to be made in the near future.

Based on a review of financial aid programs nationwide, the Committee determined that there were seven major areas of concern, or questions, to be addressed: (1) Who has responsibility for student financial assistance: students and their families, governments, postsecondary education institutions, or the private sector? What levels of assistance should the various providers of funds be responsible for? (2) What are the legitimate bases on which decisions to give aid should be made? (3) What is a fair and equitable distribution of financial aid? (4) How can aid dollars be used most efficiently and serve their primary function? (5) How should basic eligibility requirements for financial aid be determined? (6) What time limits should be placed on the provision of financial aid to individual students? (7) Which postsecondary education institutions should students be able to attend and receive financial aid?

This brochure contains a summary of the Committee's findings and recommendations for redirecting student financial aid programs in Georgia to better serve the Committee's goals of equal opportunity, diversity, and student choice. The remainder of the brochure is organized around the seven questions listed above. The full report containing the supporting documentation that backs-up the Committee's recommendations is contained in Student Aid in Georgia: Outlook and Recommendations for the Mid-80's, available, on request, from the Committee office.

In order to promote equal opportunity and enable and encourage participation in postsecondary education, and in order to promote the diversity of postsecondary education opportunities in Georgia and to encourage the preservation of the public and private segments and promote student choice, the Committee recommends the adoption of the following State student financial aid policies. The Committee believes these policies represent the best principles on which to base State financial aid programs.

Recommended Rationale for State Student Financial Aid

The fundamental purposes of Georgia's financial aid programs should be to assist Georgia citizens who need and deserve financial help to avail themselves of Georgia's postsecondary educational opportunities; to promote the goals of comprehensive, diversified, and accessible postsecondary education opportunities for the citizens of Georgia; and to promote equitable opportunity for individuals to participate, consistent with their abilities and needs, without regard to race, sex, religion, age, ethnic origin, economic status, or handicap. These purposes should be achieved through means that maintain an environment that encourages the preservation of the public and private segments of postsecondary education and through promoting programs that enable and encourage participation in postsecondary education.

Responsibility for the Financial Assistance of Postsecondary Students

Postsecondary education primarily benefits the individual who pursues it effectively. However, the education of individuals at the postsecondary level benefits the State and Nation economically and socially. THEREFORE, THE COMMITTEE PROPOSES THE FOLLOWING POLICY:

Recommended Policy on Responsibility

The primary financial responsibility for student educational expenses rests with the student and his or her family. A secondary responsibility rests with governments, the private sector, and postsecondary institutions themselves to provide financial assistance in those cases where additional assistance is needed. The State should take into account, in the funding, design, and operation of its financial aid programs, the ability of students and their families to pay for postsecondary education and the types of

financial assistance available from federal and local governments, postsecondary institutions, and the private sector. Taking these factors into account the State should provide significant assistance in support of students unable to meet their educational expenses.

Recommended Criteria

The Georgia Student Finance Commission should monitor the amount of unmet need for individual financial assistance that exists in the State, taking into account all sources of student financial aid. The State should attempt to reduce the gap between unmet need and available aid through the development of a comprehensive student financial aid monitoring system which would uniformly measure unmet need and available self/family contribution and available aid. The State should use the results of this monitoring to adjust State aid programs to reduce unmet need. Equitable limits for both direct expenses (tuition, fees, books, and supplies) and indirect expenses (housing, meals, transportation, and personal) should be established by the Georgia Student Finance Commission, and in no case should a student who applies on the basis of need and receives needs-based State aid receive more aid than needed: i.e., the combined aid to the student -- self/family contribution, federal, State, institutional, and other sources -- should not exceed the total direct and indirect educational expenses.

Findings, Conclusions, and Further Recommendations

The Committee's study of undergraduate students who applied for needs-based aid yielded the estimate that about 47,000 students, statewide, submitted such applications and received some form of aid in 1979-80 (not all necessarily received needs-based aid). This figure was about 33% of the full-time undergraduate enrollment that year. Thus, it appears that the vast majority of undergraduate students find it possible to meet their educational expenses without seeking needs-based financial aid.* Among those who did apply for assistance, estimated expenses totaled about $159 million. The student's and family's expected contribution was $60 million, and $83 million in aid was provided. The total of these contributions and the aid provided fell $17 million short of meeting the estimated expenses. This

*Ninety-three percent (93%) of the recipients were full-time students. Nonetheless, the 33% estimate is low because many financial aid recipients are not in the pool of needs-based applicants. For example, only 13% of the recipients of guaranteed student loans (GSL) in 1979-80 were estimated to be in the pool of needs-based applicants.

means that, if the expense estimates were accurate, the students or their families had to cover the shortfall in some way or the student could not remain in school. Covering the shortfall would bring the total student/family contribution to $76 million dollars -- close to on a par with the aid provided.

Thus, it appears that most students and their families in the State of Georgia assume their rightful primary responsibility for educational expenses. However, among students who have demonstrated need, students and their families assume a secondary but significant share of the expenses. On the assumption that the methods for calculating expected family contribution are fair and accurate -- and they are based on a Department of Labor low budget standard of living -- it seems fair to conclude that these needy students and their families contribute what they can be reasonably expected to contribute. Thus the primary role of outside aid in paying these students' expenses is in accord with the policy that calls for outside agencies to provide aid in cases of demonstrated need.

The policy also calls for the State to take into account the ability of students and families to pay and the types of financial aid available from all sources, and provide significant assistance in support of students unable to meet their expenses. The Georgia Student Finance Commission employs a nationally recognized method of determining expected family contribution and takes into account the receipt of the federal Pell Grant (formerly BEOG) for students applying for the Student Incentive Grant (SIG) -- the State's general needs-based grant program. Over $3 million were granted to students through this program in 1979-80. However, about $9 million were distributed through the Georgia Tuition Equalization Grant (GTEG) program, which does not evaluate student need, expected student/family contribution or other aid received.* Thus, it appears that Georgia does not adequately ensure that students/families are contributing what they can, nor is the receipt of all forms of aid adequately taken into account.

The criteria call for the Student Finance Commission to monitor the amount of unmet need taking all sources of aid into account and uniformly measuring family contributions. Such a comprehensive monitoring system is not in place. Thus, the Student Finance Commission is not in the most desirable position of being able to adjust, or seek adjustments, of State aid programs to reduce unmet need maximally.

The criteria further calls for equitable limits to be established for direct and indirect expenses in order to promote maximal distribution. This is done for the SIG program but not for the other State programs. Thus, the larger portion of State aid dollars are distributed without regard to equitable limits on direct and indirect expenses. Possibly as a result of these problems, about 23% of students in the pool of applicants for needs-based aid had overmet need while 70% had unmet need and 7% had their need met exactly, the Committee study revealed.

*The Committee study revealed that approximately 56% of the recipients of the GTEG during 1979-80 were, however, among the pool of applicants for needs-based aid.

To help remedy the existence of overmet need, THE COMMITTEE OFFERS THIS FURTHER RECOMMENDATION:

- The Georgia Student Finance Commission could require, through the recommended monitoring system, that students with overmet need who receive State needs-based aid refund the amounts received above demonstrated need, up to the amount of State aid received, or be subject to ineligibility for any subsequent State aid.

Clearly, the nearly $15 million in State aid to postsecondary education students during 1979-80 was a significant amount. However, the level of unmet need among needs-based applicants more than equaled this amount. Over the entire pool of needs-based applicants, the Committee estimates the unmet need to have been $17 million. Among the applicants in the pool there was a total of over $11 million in overmet need. Thus, the dollar value of unmet need among recipients with unmet need was $28 million. Given this finding and the increase in unmet need expected to result from federal cutbacks (a loss of $84 million by academic year 1983-84) in Georgia, THE COMMITTEE OFFERS THIS FURTHER RECOMMENDATION:

- A greater State role in the provision of general needs-based student financial aid is needed, if progress toward the equal opportunity goal is to be maintained. Expansion of the State SIG program should be coupled with implementation of the monitoring safeguards specified in the policy and criteria to better ensure the achievement of the purposes of state financial aid.

Basis for Awarding State Student Financial Aid

The Committee has considered each of seven factors that financial aid programs are based on throughout the nation. THE COMMITTEE PROPOSES THE FOLLOWING POLICY ON BASES FOR AWARDING AID FROM THE STATE OF GEORGIA.

- Recommended Policy on the Basis of Aid

  The State should make the overriding emphasis of its financial aid programs the awarding of aid on the basis of financial need. This should be achieved through a general needs-based grant program. If financial need among eligible applicants from accredited institutions for general needs-based aid exceeds the available dollars, then student merit or capability, in conjunction with need, should

be used to ration the available funds. In addition the State should have a special needs-based financial aid program for students attending accredited private and accredited proprietary institutions, to complement its commitment to providing public postsecondary education equal in quality to that provided by the private segments and to promote the goal of diversity. Finally, the State should have a program of student financial aid to encourage or reward students who choose and successfully complete postsecondary programs in fields of study where critical State need exists and who agree to serve in areas of critical need.

Recommended Criteria

Virtually all funds awarded and students served by State financial aid programs should be on a needs basis. In the determination of need, the Student Finance Commission should recognize that both direct educational expenses (tuition, fees, books, and supplies) and indirect expenses (housing, meals, transportation, and personal) contribute legitimately to student financial need. The State should employ, for its needs-based programs, as the basis for its needs analysis, a nationally recognized uniform methodology application form for the determination of expected student and family contribution.

If funds for general needs-based aid are insufficient (requiring rationing on the basis of merit in conjunction with need), the Student Finance Commission should employ a system for measuring student merit or capability that will permit a merit or capability rating for both vocational-technical and collegiate students. The system could take into account such factors as high school class rank, high school grade point average, standardized test scores, previous postsecondary education performance, and special achievements.

The special program to assist students from accredited private and accredited proprietary institutions should be needs-based. Total funding for this program should remain at the level of funding for the Georgia Tuition Equalization Grant program in 1981-82 relative to State support of public colleges. No individual award under this program should exceed the difference between the direct expenses at the student's institution and those at the highest priced public institution.

> The Student Finance Commission should have a systematic method of evaluating, on a continuing basis, critical State needs and should employ forgivable loan and loan purchase programs to encourage students to pursue these fields of study and agree to serve the State in these fields of study.

Findings, Conclusions, and Further Recommendations

Currently only 20% of State aid is awarded on the basis of need. The tuition equalization based GTEG program -- a non needs-based program -- disperses 60% of State aid and the other non needs-based State aid programs disperse 20%. Clearly, the overriding emphasis of State financial aid programs is not the awarding of aid on the basis of need.

The policy further calls for the general needs-based grant to be the overriding vehicle. Clearly, this is not currently the case since less than one-fourth of the State's aid is distributed through the SIG program. Also, 40% of these funds are federal and may be cut off. Thus, THE COMMITTEE OFFERS THIS FURTHER RECOMMENDATION:

> The State needs to substantially increase the amount of aid provided through the SIG program.

For the 1979-80 year there were 1,738 more eligible applicants for SIG than could receive funds, due to the limited amounts available. The policy calls for funds to be rationed on the basis of student merit or capability as well as need in this case. Student merit or capability, as described in the criteria, is not used to determine SIG grant awards when funds are insufficient to meet all demonstrated need.

The policy also calls for the existence of a special needs-based grant program to assist students attending accredited private and proprietary institutions. The purpose of such a program is to promote diversity and student choice through tuition equalization. The GTEG program does provide tuition equalization, but not on the basis of need and has contributed to an environment encouraging the preservation of the private segment, according to an earlier investigation by the Committee.* Qualified students receive the GTEG without demonstrating need. Probably most GTEG recipients do have need -- as evidenced by an estimated 56% of the 1979-80 recipients being in the needs-based applicant pool. But to award the grant to all without a needs analysis and to some who do not have need, does not accord with the policy. The Committee's position is that this State aid should not go to students who do not need it. Nineteen states have programs serving private sector students exclusively. Of these,

*See the Committee's assessment report "Preservation of Public and Private Institutions."

only eight are on a pure equalization basis like Georgia's. Twelve (63%) are on a needs basis. Thus, the GTEG program is not typical of the dominant form of providing tuition equalization aid. THE COMMITTEE OFFERS THIS FURTHER RECOMMENDATION:

- The GTEG program be converted to a needs-based program but funding should remain at the 1981-82 level relative to state support of public colleges.

The policy also calls for accredited proprietary institution students to be among those to receive the special needs-based equalization grant. Currently, students at accredited proprietary institutions are not permitted to receive any State aid -- even though the numbers of proprietary institution students are used by the State in requesting Georgia's allotment of federal SIG funds. THE COMMITTEE OFFERS THIS FURTHER RECOMMENDATION:

- Students attending appropriately accredited proprietary institutions be eligible for aid under a needs-based GTEG program.

The policy finally calls for the existence of an aid program to encourage students to choose and serve in areas of critical State need. The State Direct Student Loan (SDSL) program serves this purpose: serving 2,329 students in 1979-80 with $2,537,357. The criteria calls for a continuous, systematic assessment of areas of critical State needs. No comprehensive survey to determine critical State needs has been conducted since the program was initiated some years ago. Improved means of identifying and adjusting the list of critical fields for this program appear to be needed. In addition, accredited proprietary institution students are not permitted to receive this form of aid. Thus THE COMMITTEE PRESENTS THIS FURTHER RECOMMENDATION:

- The Georgia Student Finance Commission implement a systematic method for identifying and adjusting the list of critical fields for the SDSL program and that students attending appropriately accredited proprietary institutions, who otherwise qualify, be eligible for aid under the SDSL program.

In addition, Georgia currently supports two non needs-based financial aid programs that award aid on bases not approved in the proposed policy: the Law Enforcement Personnel Dependents Grant (LEPD) and the North Georgia ROTC Scholarship program.

The criterion that virtually all state aid funds and students be on a needs-basis is clearly not met, as has been shown. However, the method of determining need for those students who do receive needs-based State aid does recognize both direct and indirect expenses, as called for by the criteria.

In summary significant changes in the regulations and appropriations for State aid programs are required to bring them in line with the State policies and criteria supported by the Committee.

In addition to those changes directly suggested in this section, changes in the State regulations for the Georgia Guaranteed Student Loan (GSL) program could help meet the policies.

The GSL program is a non needs-based program allowing undergraduate and graduate students to borrow funds directly from banks, credit unions, savings and loan associations, and other participating lenders. The Georgia Higher Education Assistance Corporation (an affiliate of the Georgia Student Finance Commission) serves as the guarantor of these loans and the Federal Government backs up the State and pays interest subsidies. It is possible to make the GSL program wholly or partially needs-based. Oklahoma and Maryland have needs-based GSL programs. Such a change could substantially increase the proportion of aid distributed in Georgia on the basis of need. As a result, THE COMMITTEE OFFERS THIS FURTHER RECOMMENDATION:

- The Georgia Student Finance Commission move to convert Georgia's GSL program to a predominately needs basis with some funds continuing to be awarded on a critical fields basis.

Equitable Distribution of Needs-based Aid

In order for the States' needs-based financial aid programs to serve the equal opportunity goal, no discrimination on the basis of race, religion, sex, age, ethnic origin, economic status, or handicap should affect financial aid distribution. ACCORDINGLY, THE COMMITTEE PROPOSES THE FOLLOWING POLICY.

- Recommended Policy on Equitable Distribution

  The distribution systems for State needs-based financial aid should ensure that aid is awarded fairly. That is, students with differing characteristics (race, age, sex, dependency status, attendance status, income, sector participation, or regional location) who have the same amount of need, or need-merit, should be offered the same amounts of State financial aid.

- Recommended Criteria

  As a part of the comprehensive monitoring system described above, the Georgia Student Finance Commission should analyze the degree to which students with differing characteristics and similar need, after the receipt of all forms of aid is taken into account, have significant differences in the amounts of State aid received. Appropriate

investigations and adjustments in the distribution system should be carried out as needed. In addition, inequities in the distribution of non-state aid should be reported to the relevant awarding agencies with recommendations for modification on an annual basis.

Findings, Conclusions, and Further Recommendations

A series of tests were performed on the data from the Committee study to determine if those criteria are being met. First, significant differences in unmet need were found between recipients 18 to 22 years old and those older, males and females, full-time and part-time students, dependent and independent students, recipients with family incomes below $18,000 and those above, and white and minority students. In two of these cases -- that of independent/dependent students and that of older/younger students -- need was greater for one group in each set (independent and older students) but the aid they received was significantly less. Thus, with respect to total aid received from all sources, independent and older recipients do not appear to get their fair share.

With respect to State aid programs, there were five cases where the higher need group received the same aid -- independent/dependent students, male/female students, full-time/part-time students, minority/white students, older/younger students. In the case of lower income students, need was significantly higher but aid significantly less. Thus, with respect to State aid received through the SIG and TEG programs, female, part-time, minority, older, independent, and lower income recipients did not appear to get their fair share.

In further analyses the relationship between need and total aid was tested. The correlation of need with total aid was .498. Among the 8.9% of recipients with need below $500, there was not a significant difference between the total aid received by independent and dependent students. Among the 6.7% of recipients with need between $500 and $1,000, there was significantly more received by independent students. However, among the 84.4% of recipients with need over $1,000, independent students received significantly less. Thus, it appears that it is high need independent recipients who are particularly unfairly treated.

Among recipients with need under $1,000, there were not significant differences in the amounts of State aid received by older and younger students. However, for those students with need over $1,000, younger students received significantly more even though their need was $179 less. So, here again, it appears that a maldistribution exists.

The relationship between need and state aid was also tested. The correlation of need with State aid was .246. Among State aid recipients with need under $500, there were no significant differences in State aid received by higher and lower income students. But, for students with a need above $500, there were significant differences: higher income recipients received more than lower income recipients. So, in contrast to the finding with respect to total aid from all sources, the distribution of State aid appears to discriminate against lower income students.

In light of these findings, THE COMMITTEE PROPOSES THIS FURTHER RECOMMENDATION:

- The Georgia Student Finance Commission should investigate these apparent inequities and report inequities in non-state aid to the appropriate awarding agencies with recommendations. In the case of inequities in the distribution of State aid, the Georgia Student Finance Commission should investigate the causes and revise the regulations and procedures for distributing State aid accordingly to eliminate true inequities.

Efficient Use of State Financial Aid Funds

Different modes of distributing financial aid vary in efficiency. That is, some modes allow more needy students to be served with the same amount of dollars. CONSEQUENTLY, THE COMMITTEE RECOMMENDS THE FOLLOWING POLICY.

- Recommended Policy on Efficient Use of State Funds

  While it recognizes the justification for financial assistance to postsecondary students, the State should endeavor to efficiently use State funds to help the most students with the available dollars.

- Recommended Criteria

  In order to efficiently use State funds available for student financial aid, the State of Georgia should have both needs-based loans (some possibly repayable by service) and grant aid programs to assist needy students. Since the State puts a high priority on student and family self-help, the State should, in distributing its needs-based loan and grant awards, reserve its grant awards for the most needy. The less needy should be eligible for loans.

Findings, Conclusions, and Further Recommendations

Currently, available funds are insufficient to meet all demonstrated need. The strategy currently used by the Georgia Student Finance Commission to meet his policy is reduction of the average amounts distributed. That is, rather than meeting more need for a smaller number of students, the Commission meets less need for the largest number of students possible with an amount sizable enough to be helfpul through the SIG program. The criteria, however, calls for the existence of both needs-based grant and loan programs and the distribution of grants to the most needy and loans to those less needy. The State does not have a needs-based loan program. THEREFORE, THE COMMITTEE PROPOSES THIS FURTHER RECOMMENDATION:

- The Georgia Student Finance Commission develop a needs-based loan program, possibly by converting the GSL program to a needs basis, and continue to employ the strategy of serving the largest number of needy students as possible with a sum sizable enough to be helpful in the SIG program.

Student Eligibility for State Financial Aid

THE COMMITTEE believes that the State of Georgia has a responsibility to assist its needy citizens and THUS RECOMMENDS THE FOLLOWING POLICY.

- Recommended Policy on Student Eligibility

  The State's responsibility to provide student financial aid should be limited to bonafide residents who show promise of being able to benefit from post-secondary education.

- Recommended Criteria

  In order to be eligible for financial aid under a State of Georgia student aid program, a student should be a legal resident of Georgia for 12 months prior to the beginning of the term for which aid will be used and be a United States citizen (or be classified as a permanent resident alien); should be admitted to an accredited post-secondary education institution, or if attending, remain in good standing or be making satisfactory progress toward the completion of an undergraduate collegiate or vocational-technical program leading to a formal award. The meeting of these eligibility standards should qualify a student to submit an application for State aid to be evaluated by criteria previously presented (for example, evaluated on the basis of need).

Findings, Conclusions, and Further Recommendations

In most cases the currently employed eligibility requirements are supported by the Committee's proposed policy. However, there are several notable exceptions. Part-time students are not eligible for any State grant programs and students must be at least half-time to be eligible for GSL loans in Georgia. During 1979-80 part-time students accounted for 30% of the undergraduate enrollment in public colleges or universities, 10% in private colleges or universities, and 70% in public vocational-technical schools. Thus, the Committee believes that the restriction on eligibility for State financial aid limits access to postsecondary education for a large and growing number of students. THE COMMITTEE THEREFORE PROPOSES THIS FURTHER RECOMMENDATION:

- Part-time students should be eligible for State financial aid, and if otherwise qualified, should receive aid on a prorated basis.

The SIG program requies that students not have a four-year or five-year college degree. The Committee believes this to be overly restrictive, and THUS PROPOSES THIS FURTHER RECOMMENDATION:

- Students who otherwise meet the eligibility and basis of aid requirements, should be eligible to receive State aid provided that awarding aid to such students would not violate the duration of aid policy. That is, students who meet the eligibility requirements and basis of aid requirements and who have not used their years of eligibility should be able to receive aid for the appropriate duration, even if they have a degree.

The GTEG program restricts eligibility to students attending eligible independent (non-profit) colleges or universities in Georgia. THE COMMITTEE PROPOSES THIS FURTHER RECOMMENDATION:

- That students attending institutions approved by the proposed policy on eligible institutions, who are otherwise qualified, should be able to receive aid under this program.

Duration of Student Eligibility for State Aid

The State does not have a responsibility to indefinitely provide aid to individual students. AS A RESULT, THE FOLLOWING POLICY IS RECOMMENDED.

Recommended Policy on Duration of Aid

The State should be responsible for providing student aid to bonafide postsecondary education students for a limited period of time.

Recommended Criteria

State student financial aid should be available to eligible students for the standard full-time equivalent length of the students' program; e.g., where a full-time student would be expected to complete a program in four years, four years of eligibility should be recognized; or on a pro-rated basis, if the student attends less than full-time. No student should receive aid for more than four full-time equivalent years, or the full-time equivalent number of years required to complete the program, whichever is greater.

Findings, Conclusions, and Further Recommendations

Normally the period of time required for a student to complete a collegiate program will be four years of full-time study -- five years in the case of certain specialized programs. For vocational-technical and junior college students the normal time requirement ranges from six months to two years depending on the program. Current financial aid practices limit the duration of aid accordingly. However, because part-time students should be fairly served by receiving pro-rated aid, THE COMMITTEE PROPOSES THIS FURTHER RECOMMENDATION:

The duration of eligibility for State aid should be appropriately extended on a pro-rated basis for part-time students.

Institutional Eligibility for Student Aid

All postsecondary education institutions are not of adequate quality. The State should not assist students attending institutions not meeting the standards of recognized voluntary accrediting bodies. HENCE, THE COMMITTEE RECOMMENDS THE ADOPTION OF THE FOLLOWING POLICY.

Recommended Policy on Institutional Eligibility

Since the quality and standards met by post-secondary education institutions vary, the State should offer aid only to students attending those institutions which have been approved as meeting appropriate operating standards.

Recommended Criteria

For the purposes of receiving State student financial aid, a student should attend a postsecondary education institution which has been designated as "approved," "excluded," "exempt," or State operated under Georgia laws (Georgia Constitution, Georgia Postsecondary Education Authorization Act, or Georgia Proprietary School Act) and which is accredited by a Council on Postsecondary Accreditation (COPA) or United States Department of Education (ED) recognized accrediting agency.

Findings, Conclusions, and Further Recommendations

Currently, students attending public postsecondary institutions, and non-sectarian, non-profit institutions are eligible for aid whether their institution is appropriately accredited or not. On the other hand, students attending accredited proprietary (profit-seeking) postsecondary education institutions are not eligible for State financial aid. The Committee believes that the educational quality of a postsecondary institution is a better criteria for eligibility than the profit seeking status of the institution. Accordingly, THE COMMITTEE PROPOSES THIS FURTHER RECOMMENDATION:

Students attending apporpriately accredited institutions which are not sectarian in academic emphasis should be eligible to receive student financial aid from the State to pursue their studies and that students attending institutions which are not appropriately accredited should not be eligible for State student financial aid.

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